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To: ATR-Real Estate Workshop
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Subject: Competition Real Estate Workshop- Comment, Project V050015

Competition in the real estate industry is fierce! Real estate agents there with every general contractor, gardener, painter, etc., fighting for a job.

Unfortunately, these discounters are everywhere "Using" the hard working agents and forcing them to do their work (Double work). This is an area that needs to be addressed.

Yes, there should be a minimum service level due to discounters. Buyer or Seller Representation is one ... discounters need to sit down with their clients and provide an intelligent level of skills, explanations and opinions.

Discounters list homes for a few hundred dollars and are never seen or heard from again. The poor Buyer's agent ends up negotiating for the buyer and now by default the seller too! Forced to: Present offers, review, explain and counter offer ... The buyers agent gets called by the seller to spend time explaining the entire agreement with them. However, they don't get paid for their extra time, gas, wear and tear on vehicle, nor added liability. They have no choice since their duty is to help the buyer purchase a home. This is not right!

Then, when the seller doesn't understand how to counter offer back ... the Buyer's agent is "Used" again. Back for inspections, back for appraisal issues, that should have been handled by their counterpart. This is an absolute theft happening to hard working agents and it should be stopped.

The discounting has gotten to be obscene with agents door knocking in Mill Creek to list for free! They take zero listing commission and offer 3% selling office commission in hopes they might sell that home. These agents aren't even getting minimum wage! The discounting is out of control and competition is thriving!

Do you know how many real estate agents just break down and cry because the competition is so tough? Adults trying to support their families who keep getting beaten by lower commissions? How would you feel if you didn't get a pay check?

The competition is fierce the majority of time that an agent has a listing appointment ... they are confronted with the question how much can you reduce your commission? It is a standard question now.

The real estate industry needs to be allowed to operate like any other business. We give estimates of what we charge like all other contractors but minimums standards would help.

There should be a minimum of standards for those charging little to nothing. Forcing others to work on their behalf? The selling agent has to represent their buyer. However, we are now forced to be unpaid to assist the seller.

The discounters create so much chaos that hurts everyone. They are not

properly trained, nor do they assist in the vast majority of transactions.
Still
they are chosen? A license to steal from other agents.

Others don't realize that for every deal written and accepted, agents also wrote many other deals that they didn't get paid for due to a barrage of reason

... multiple offers, bad inspections, lawsuits, judgments, divorce, foreclosure, short sale restrictions, excessive bids, regulations, CC&R's, neighborhood

reviews, unclear disclosures, easement problems, wetlands, bad feasibility studies, commute time, near by sex offenders, lack of utilities, credit denial,

lay offs, transferes or last minute healt issues, etc.

Commission comparison ... At Boeing if you worked evenings and weekends your get paid overtime 1 1/2 x). Triple time on Holidays! Heath insurance, sick pay, vacations, retirement, pensions ... However, not so with agents. An average agent earns \$25k.

Some agents spend 1 or 2 years driving clients around until they find a home.

Others have written 8 deals. For one set of clients in an 6 month period. Only to lose every house to multiple offers. How many days can you go to work without pay?

Don't forget FSBO's: They are usually not selling these homes themselves ... an agent is. Once again the agent is doing double work for half pay.

Please leave our commission alone ... as it is.

It is an extremely competitive industry. The 6% commission of long ago has decreased to 4 or 5% on the majority of deals.

Minimum standards will help cut down on problems and fairness in the real estate industry should result from that.

Real estate has always been the model of competition with it's wide range of commissions.

However, what needs to be reviewed is the fees from cable companies and utilities ... since they are monopolies in each area.

Thank you for your consideration,

Pat Lord

RE/MAX Champions

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Broker

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